



**Agenda Item A.1
PRESENTATION
Meeting Date: April 5, 2012**

A.1 Introduction of City Staff by City Manager



**Agenda Item A.2
PRESENTATION
Meeting Date: April 5, 2012**

A.2 Overview of AB 1X 26 (Dissolution Bill on Redevelopment Agencies) and Purpose of Oversight Board

Agenda Item B.1
DISCUSSION/ACTION ITEM
Meeting Date: April 5, 2012

TO: Members of the Oversight Board of the Successor Agency to the Dissolved Redevelopment Agency for the City of Goleta

FROM: Jaime Valdez, Senior Management Analyst

SUBJECT: Selection of Chairperson

RECOMMENDATION:

- A. Select a Chairperson from among the Members of the Oversight Board of the Successor Agency to the Dissolved Redevelopment Agency for the City of Goleta.
- B. Provide direction to staff regarding future proceedings.

BACKGROUND:

On December 29, 2011, the California Supreme Court issued an opinion in *California Redevelopment Association v. Matosantos*, upholding Assembly Bill 1X 26 and invalidating Assembly Bill 1X 27 (the legislation that would have permitted redevelopment agencies to continue operation if their sponsoring jurisdiction agreed to make certain payments for the benefit of schools and special districts). As a result, all California redevelopment agencies were dissolved, effective February 1, 2012.

Except for those powers repealed or limited by AB 1X 26, the authority and obligations of a community's dissolved redevelopment agency ("RDA"), along with all of its assets, property, contracts, leases, books and records are transferred to and thereafter vested in the "successor agency." The successor agency's activities are subject to review and approval by an oversight board. The oversight board will be comprised of seven political appointees from affected local taxing entities and the community.

On January 17, 2012 the City of Goleta took formal action to assume the role of Successor Agency both for housing and non-housing functions needed to wind down the affairs of the Dissolved (former) Redevelopment Agency for the City of Goleta.

DISCUSSION:

The oversight board is generally intended to supervise the activities of the successor agency and ensure the dissolved RDA's assets are distributed to the taxing entities expeditiously and in a manner that maximizes value. The oversight board has a fiduciary responsibility to holders of Enforceable Obligations of the dissolved RDA and to the taxing entities that would benefit from the distribution of revenues generated by the liquidation of RDA assets.

Health and Safety Code (“HSC”) Section 34719 created by AB 26, provides that an oversight board is to be composed of seven (7) political appointees from affected local taxing entities and the community. As of March 30, 2012, the following are the relevant appointments and appointees for the Oversight Board of the Successor Agency to the Dissolved Redevelopment Agency for the City of Goleta:

1. One member (Renée Bahl) appointed by the Santa Barbara County Board of Supervisors (“BOS”).
2. One member (Tina Rivera) appointed by the Mayor of Goleta.
3. One member (Chandra Wallar) appointed by the largest special district (Santa Barbara County Fire Protection District), by property tax share, with territory in the territorial jurisdiction of the Agency.
4. One member (Ralph Pachter) appointed by the Santa Barbara County Superintendent of Education.
5. One member (Brian Fahnestock) appointed by the Chancellor of the California Community Colleges.
6. One member of the public (VACANT, member of the public) appointed by the BOS.
7. One member (Vyto Adomaitis) representing the employees of the former RDA appointed by the Mayor of Goleta.

HSC Section 34179 (a) specifically states that “the members shall elect one of their members as the chairperson and shall report the name of the chairperson and other members to the Department of Finance (“DOF”) on or before January 1, 2012.” As part of the California Supreme Court’s ruling, all effective dates or deadlines occurring prior to May 1, 2012 are to take effect four months later. As such, the selection of the Chairperson and reporting of names of all the members of the Oversight Board would need to take place on or before May 1, 2012.

Moreover, a Chairperson for the Oversight Board must be selected to preside over the Oversight Board’s meetings. A Vice-Chairperson should also be selected to preside over the meeting when the Chairperson is unavailable.

Successor Agency staff has prepared and distributed the materials for this first meeting of the Oversight Board. As such, if it is the will of the Oversight Board, Successor Agency staff can continue to provide this service. General legal counsel can be provided with the proviso that the City Attorney will serve primarily as the Successor Agency’s Counsel. Should the Oversight Board wish to retain outside legal counsel, staff would need direction and authorization to pursue a Request for Proposal or Request for Qualifications.

FISCAL IMPACTS:

Other than soft costs related to staff time which have been accounted for in the Successor Agency’s Proposed Administrative Budget, no funds are involved with the selection of the Oversight Board’s Chairperson.

If the Oversight Board elects to seek outside administrative support for its administrative duties including meetings, keep in mind that those costs would be in addition to the Administrative Budget provided for in the Successor Agency’s Proposed Administrative

Budget. Similarly, the decision to retain outside legal counsel would also entail additional costs beyond those included in the Administrative Budget provided for in the Successor Agency's Proposed Administrative Budget.

The costs associated with retaining outside administrative support and outside legal counsel would depend on the frequency, duration, and complexity of work assignments. Staff opines that the costs could be significantly higher than using Successor Agency staff.

ALTERNATIVES:

The Oversight Board could defer to make the Chairperson selection at another meeting to be set prior to May 1, 2012, or provide staff with alternative direction.

Approved By:

Daniel Singer
City Manager

Agenda Item B.2
DISCUSSION/ACTION ITEM
Meeting Date: April 5, 2012

TO: Members of the Oversight Board of the Successor Agency to the Dissolved Redevelopment Agency for the City of Goleta

FROM: Jaime Valdez, Senior Management Analyst

SUBJECT: Approval of the Uncertified Successor Agency Recognized Obligation Payment Schedule (ROPS)

RECOMMENDATION:

Adopt Resolution No.12-__ entitled, "A Resolution of the Oversight Board of the Successor Agency to the Dissolved Redevelopment Agency for the City of Goleta Approving the Uncertified Successor Agency Recognized Obligation Payment Schedule (ROPS) pursuant to Health and Safety Code Section 34177"

BACKGROUND:

On December 29, 2011, the California Supreme Court issued an opinion *in California Redevelopment Association v. Matosantos*, upholding Assembly Bill 1X 26 ("AB 26") and invalidating Assembly Bill 1X 27 (the legislation that would have permitted redevelopment agencies to continue operation if their sponsoring jurisdiction agreed to make certain payments for the benefit of schools and special districts). As part of the California Supreme Court's ruling, all effective dates or deadlines occurring prior to May 1, 2012 are to take effect four months later. As a result, all California redevelopment agencies were dissolved, effective February 1, 2012.

Except for those powers repealed or limited by AB 26, the authority and obligations of a community's dissolved redevelopment agency, along with all of its assets, property, contracts, leases, books and records are transferred to and thereafter vested in the "successor agency." The successor agency's activities are subject to review and approval by an oversight board. The oversight board will be comprised of seven political appointees from affected local taxing entities and the community.

On January 17, 2012 the City of Goleta took formal action to assume the role of Successor Agency both for housing and non-housing functions needed to wind down the affairs of the dissolved Redevelopment Agency for the City of Goleta.

On February 21, 2012 the City of Goleta, Serving as the Successor Agency to the dissolved Redevelopment Agency for the City of Goleta, pursuant to Health and Safety Code ("HSC") Section 34177 adopted Resolutions No. 12-09 (Attachment 1) and 12-10 (Attachment 2).

Resolution No. 12-09 approved and adopted a Proposed Administrative Budget Pursuant to HSC Section 34177(j). Similarly, Resolution No. 12-10 approved and adopted an Initial Draft of the Recognized Obligation Payment Schedule Pursuant to Health and Safety Code Section 34177 (l).

DISCUSSION:

Prior to the March 1, 2012 deadline, the aforementioned Resolution No. 12-10 was adopted by the City of Goleta, as Successor Agency, satisfied the need to prepare the initial draft of the ROPS covering the period from February 1, 2012 through June 30, 2012. It has been submitted to an external auditor for review and certification as to its accuracy in order for it to be considered a "Certified ROPS."

HSC Section 34177 states that the Certified ROPS is then supposed to be submitted to and duly approved by the Oversight Board and thus considered an "Approved ROPS." The Approved ROPS would then finally be submitted to the county auditor-controller, the State Controller's office and the State Department of Finance, and posted on the City's website no later than April 15, 2012.

HSC Section 34182(a) requires either the Santa Barbara County Auditor-Controller or its designee complete procedure audits on or before July 1, 2012 in order to certify the ROPS. Unfortunately, the certification of the ROPS has not yet occurred and is not likely to occur prior to April 15, 2012. As such, the recommended action for the Oversight Board is to approve the existing currently "Uncertified Successor Agency ROPS" (Attachment 3) prior to April 15th.

The California Department of Finance ("DOF") has provided guidance in regards to the compressed and out-of-order timelines for complying with AB 26 via a letter dated March 2, 2012 (Attachment 4) which states:

"...Given these compressed timeframes, we believe it would be prudent for your oversight board to review, approve and submit the ROPS to DOF at the earliest time possible...County auditor-controllers have until July 1, 2012 to arrange for completion of these audits pursuant to the revised AB 26 timeline. Consequently, if the auditor designated by your county auditor-controller states the review of the ROPS cannot be completed by April 15, we advise you to submit your ROPS to DOF without waiting for the auditor's review."

Pursuant to HSC 34171, the allowable Administrative Costs to be included in the Proposed Administrative Budget are limited to five percent of the total property tax allocated to the successor agency for the 2011-12 fiscal year, and up to three percent of the property tax allocated to the Successor Agency's Recognized Obligation Retirement Fund during each fiscal year thereafter, provided that if the percentage amount is less than \$250,000, the Successor Agency may spend up to \$250,000 on administrative expenses. However, these amounts are a cap and the Administrative Budget is subject to approval by the Oversight Board.

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Consequently, the Successor Agency will be eligible to receive an amount ranging from a minimum amount of \$250,000 (unless a smaller amount is agreed to by the Successor Agency) and a maximum of five percent of property tax allocated to the Successor Agency in the 2011-12 Fiscal Year and three percent of the funds deposited into the Recognized Obligation Retirement Fund every year thereafter.

The Successor Agency has estimated an Administrative Budget of \$129,000 from February 1, 2012 through June 30, 2012 (end of FY 11-12). This budget includes costs associated with administering the Successor Agency's housing and non-housing activities as well as costs associated with Successor Agency and Oversight Board meetings and logistics. This budget amount is listed in the aforementioned Uncertified Successor Agency ROPS and is based on the amount approved by the Successor Agency via Resolution 12-09.

FISCAL IMPACTS:

Other than soft costs related to staff time which have been accounted for in the Successor Agency's Proposed Administrative Budget, no funds are involved with the adoption of the Uncertified Successor Agency ROPS. The ROPS simply lists the dissolved Agency's existing obligations.

ALTERNATIVES:

Based on HSC 34177, the Oversight Board is charged with approving a Certified ROPS by April 15, 2012. Because the ROPS attached to this staff report has not been certified by an external auditor nor will it be before April 15th, the Oversight Board could defer to adopt the existing Uncertified Successor Agency ROPS until it has been certified. However the decision to wait until certification occurs would be in contrast to guidance provided by the State's Department of Finance.

Approved By:

Daniel Singer
City Manager

ATTACHMENTS

1. Successor Agency Resolution No 12-09, approving and adopting a Proposed Administrative Budget Pursuant to Health and Safety Code Section 34177(j).
2. Successor Agency Resolution No. 12-10, approving and adopting an Initial Draft of the Recognized Obligation Payment Schedule Pursuant to Health and Safety Code Section 34177 (l).
3. Resolution No.12-__ entitled, "A Resolution of the Oversight Board of the Successor Agency to the Dissolved Redevelopment Agency for the City of Goleta Approving the Uncertified Successor Agency Recognized Obligation Payment Schedule (ROPS) pursuant to Health and Safety Code Section 34177"
4. California Department of Finance Letter dated March 2, 2012

ATTACHMENT 1

**Successor Agency Resolution No 12-09,
approving and adopting a Proposed
Administrative Budget Pursuant to Health and
Safety Code Section 34177(j)**

RESOLUTION NO. 12-09

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GOLETA, SERVING AS THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY FOR THE CITY OF GOLETA, APPROVING AND ADOPTING A PROPOSED ADMINISTRATIVE BUDGET PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(j)

WHEREAS, pursuant to Health and Safety Code section 34173(d), the City of Goleta ("Successor Agency") elected to become the successor agency to the Redevelopment Agency for the City of Goleta by Resolution No. 12-04 on January 17, 2012; and

WHEREAS, Health and Safety Code section 34177(j), as modified by the Supreme Court decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861, requires the Successor Agency to prepare a proposed administrative budget covering the period from February 1, 2012, through June 30, 2012 and submit it to the oversight board for approval; and

WHEREAS, pursuant to Health and Safety Code section 34177(k), upon approval of the administrative budget by the oversight board, the Successor Agency is required to provide administrative cost estimates, from the approved administrative budget, that are to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund, to the Santa Barbara County Auditor-Controller for each fiscal period covered by the administrative budget; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GOLETA, SERVING AS THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY FOR THE CITY OF GOLETA, DOES HEREBY RESOLVE AS FOLLOWS:

Section 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

Section 2. Approval of Proposed Administrative Budget. The Successor Agency hereby approves and adopts the proposed administrative budget covering the period from February 1, 2012, through June 30, 2012, in substantially the form attached to this Resolution as Exhibit A, as required by Health and Safety Code Section 34177.

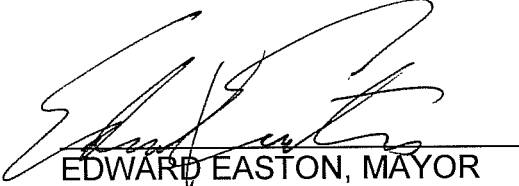
Section 3. Transmittal of Proposed Administrative Budget. The City Manager is hereby authorized and directed to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding the proposed administrative budget, including submitting the proposed administrative budget to the

Successor Agency's oversight board, and upon oversight board approval of the administrative budget, the provision of administrative cost estimates, from the approved administrative budget, that are to be paid from property tax revenues deposited in the Redevelopment Property Tax Trust Fund, to the Santa Barbara County Auditor-Controller.

Section 5. Effectiveness. This Resolution shall take effect immediately upon its adoption.

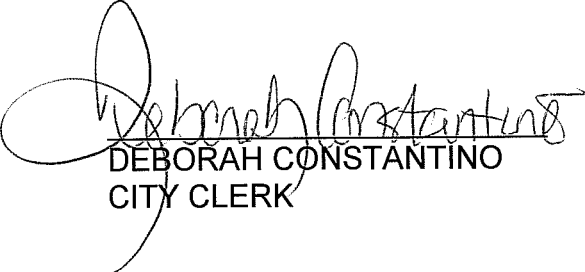
Section 6. Certification. The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.


PASSED, APPROVED AND ADOPTED at a regular meeting of the City of Goleta, serving as the successor agency to the Redevelopment Agency for the City of Goleta, on the 21st day of February, 2012.


EDWARD EASTON, MAYOR

ATTEST:

APPROVED AS TO FORM:


DEBORAH CONSTANTINO
CITY CLERK



TIM W. GILES
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SANTA BARBARA) ss.
CITY OF GOLETA)

I, DEBORAH CONSTANTINO, City Clerk of the City of Goleta, California, DO HEREBY CERTIFY that the foregoing Resolution No. 12-09 was duly adopted by the City Council of the City of Goleta serving as the Successor Agency to the Redevelopment Agency for the City of Goleta at a regular meeting held on the 21st day of February, 2012 by the following vote of the Council:

AYES: MAYOR EASTON, MAYOR PRO TEMPORE ACEVES, COUNCILMEMBERS, BENNETT, CONNELL AND PEROTTE.

NOES: NONE

ABSENT: NONE

ABSTENTIONS: NONE

(SEAL)



DEBORAH CONSTANTINO
CITY CLERK

EXHIBIT A

PROPOSED ADMINISTRATIVE BUDGET



Successor Agency to the Dissolved Redevelopment Agency for the City of Goleta

Proposed Administrative Budget Pursuant to Health & Safety Code Section 34177(j)

Expense	Feb-12	Mar-12	Apr-12	May-12	Jun-12	TOTAL
Legal & Noticing*	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	\$3,000.00	15,000.00
Personnel**	\$22,800.00	\$22,800.00	\$22,800.00	\$22,800.00	\$22,800.00	114,000.00

*Includes, but is not limited to legal counsel, provision of meeting materials, notifications, as well as any special consultant services if needed.

**Includes, but is not limited to personnel to perform wind down activities of the agency including serving as staff for the successor agency, monitoring affordable housing covenants, as well as other duties as needed to comply with AB 26 implementation.

Prepared 2/14/2012

ATTACHMENT 2

**Successor Agency Resolution No. 12-10,
approving and adopting an Initial Draft of the
Recognized Obligation Payment Schedule
Pursuant to Health and Safety Code Section 34177
(I)**

RESOLUTION NO. 12-10

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF GOLETA, SERVING AS THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY FOR THE CITY OF GOLETA, APPROVING AND ADOPTING AN INITIAL DRAFT OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177(I)

WHEREAS, pursuant to Health and Safety Code section 34173(d), the City of Goleta ("Successor Agency") elected to become the successor agency to the Redevelopment Agency for the City of Goleta by Resolution No. 12-04 on January 17, 2012; and

WHEREAS, Health and Safety Code section 34177(l)(2), as modified by the Supreme Court decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861, requires the Successor Agency to prepare an initial draft of the recognized obligation payment schedule ("ROPS") by March 1, 2012, covering the period from February 1, 2012 through June 30, 2012; and

WHEREAS, Health and Safety Code section 34177(l)(2) requires the Successor Agency to submit the initial draft of the ROPS to an external auditor, either the Santa Barbara County Auditor-Controller or its designee, for the auditor's review and certification as to its accuracy; and

WHEREAS, Health and Safety Code section 34177(l)(2) requires the Successor Agency to submit the ROPS certified by the external auditor ("Certified ROPS") to the Successor Agency's oversight board for its approval, and upon such approval, the Successor Agency is required to submit a copy of the approved ROPS ("Approved ROPS") to the Santa Barbara County Auditor-Controller, the California State Controller, and the State of California Department of Finance, and post the Approved ROPS on the Successor Agency's website; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, THE CITY COUNCIL OF THE CITY OF GOLETA, SERVING AS THE SUCCESSOR AGENCY TO THE REDEVELOPMENT AGENCY FOR THE CITY OF GOLETA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

SECTION 2. CEQA Compliance. The approval of the initial draft of the ROPS through this Resolution does not commit the Successor Agency to any action that may

have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act.

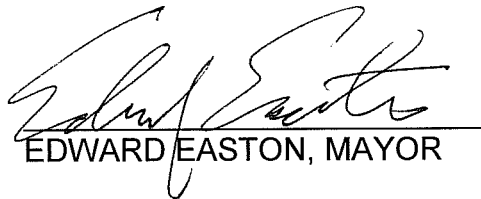
SECTION 3. Approval of Initial Draft of the ROPS. The Successor Agency hereby approves and adopts the initial draft of the ROPS, in substantially the form attached to this Resolution as Exhibit A, as required by Health and Safety Code Section 34177.

SECTION 4. Transmittal of Initial Draft of the ROPS. The City Manager is hereby authorized and directed to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding the initial draft of the ROPS, including submitting the initial draft of the ROPS to the Santa Barbara County Auditor-Controller, or its designee, the submission of the Certified ROPS to the Successor Agency's oversight board, upon the oversight board's formation, the submission of the Approved ROPS to the Santa Barbara County Auditor-Controller, the California State Controller, and the State of California Department of Finance, and posting the Approved ROPS on the Successor Agency's website.

SECTION 5. Effectiveness. This Resolution shall take effect immediately upon its adoption.

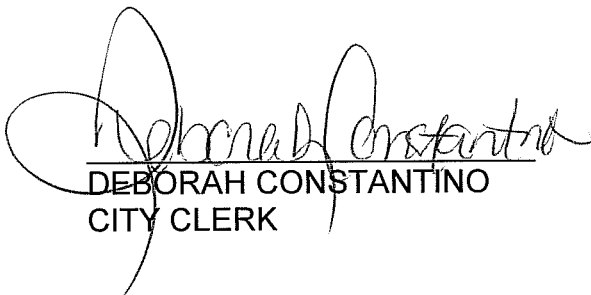
SECTION 6. Certification The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

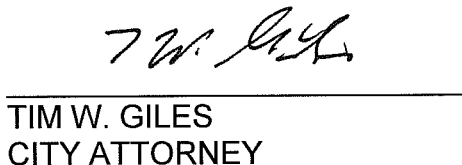
PASSED, APPROVED AND ADOPTED at a regular meeting of the City of Goleta, serving as the successor agency to the Redevelopment Agency for the City of Goleta, on the 21st day of February, 2012.


EDWARD EASTON, MAYOR

ATTEST:

APPROVED AS TO FORM:


DEBORAH CONSTANTINO
CITY CLERK


TIM W. GILES
CITY ATTORNEY

STATE OF CALIFORNIA)
COUNTY OF SANTA BARBARA) ss.
CITY OF GOLETA)

I, DEBORAH CONSTANTINO, City Clerk of the City of Goleta, California, DO HEREBY CERTIFY that the foregoing Resolution No. 12-10 was duly adopted by the City Council of the City of Goleta serving as the Successor Agency to the Redevelopment Agency for the City of Goleta at a regular meeting held on the 21st day of February, 2012 by the following vote of the Council:

AYES: MAYOR EASTON, MAYOR PRO TEMPORE ACEVES,
 COUNCILMEMBERS, BENNETT, CONNELL AND PEROTTE.

NOES: NONE

ABSENT: NONE

ABSTENTIONS: NONE

(SEAL)

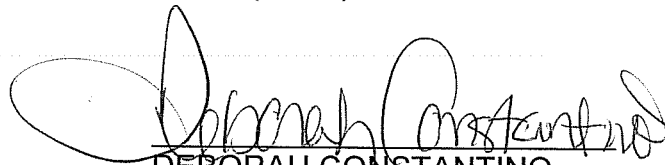

DEBORAH CONSTANTINO
CITY CLERK

EXHIBIT A

INITIAL DRAFT OF THE RECOGNIZED OBLIGATION PAYMENT SCHEDULE



PRELIMINARY DRAFT OF THE INITIAL RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Per AB 26 - Section 34167 and 34169(*)

Project Name / Debt Obligation	Payee	Description	Funding Source	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 11-12	Payments by month					Total
						Feb	Mar	Apr	May	Jun	
1) Sumida Gardens Project	Sumida Gardens LP	Subsidy of Affordable Housing Project	RPTTF	3,990,683.00	349,925.00				43,420.00		\$ 43,420.00
2) Debt Service	Bank of New York	Tax Allocation Bonds - Debt Service	RPTTF	16,085,000.00	1,902,046.00				599,068.75		\$ 599,068.75
3) Bradock House Project	Surf Development Co.	Subsidy of Affordable Housing Project	LMH/F	200,000.00	200,000.00		200,000.00				\$ 200,000.00
4) CIP Coop. Agreement	City of Goleita	Coop Agreement- Capital Projects	RPTTF	8,395,089.00	0.00						\$ -
5) Bond Trustee Services	Bank of New York	Trustee Services	Bonds	5,000.00	5,000.00		5,000.00				\$ 5,000.00
6) Administrative Cost	City of Goleita	Costs for Successor Agency	ACA, RPTTF	129,000.00	129,000.00	25,800.00	25,800.00	25,800.00	25,800.00	25,800.00	\$ 129,000.00
7)											\$ -
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Totals - This Page				\$ 28,804,772.00	\$ 2,585,971.00	\$ 25,800.00	\$ 230,800.00	\$ 25,800.00	\$ 668,288.75	\$ 25,800.00	\$ 976,488.75
Totals - Page 2				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals - Page 3				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals - Page 4				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals - Other Obligations				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grand total - All Pages				\$ 28,804,772.00	\$ 2,585,971.00	\$ 25,800.00	\$ 230,800.00	\$ 25,800.00	\$ 668,288.75	\$ 25,800.00	\$ 976,488.75

* The Preliminary Draft of the Initial Recognized Obligation Payment Schedule (ROPS) is to be prepared by the successor agency by 3/1/2012. It is valid from 2/1/2012 through 6/30/2012.

Description of Sources of Payments:

- Low and Moderate Income Housing Fund ("LMH/F" or 20%)
- Bond Proceeds ("Bonds")
- Reserve Balances ("Reserves")
- Administrative Cost Allowance ("ACA")
- The Redevelopment Property Tax Trust Fund ("RPTTF")
- Other Revenue Sources (i.e., rents, interest earnings, asset sales, etc.) ("Other")

Updated 2/14/2012

Agency representative to contact with questions:
 Tina Rivera, Finance Director, (805) 961-7527, email: trivera@cityofgoleita.org

ATTACHMENT 3

Resolution No.12-__ entitled, “A Resolution of the Oversight Board of the Successor Agency to the Dissolved Redevelopment Agency for the City of Goleta adopting the Uncertified Successor Agency Recognized Obligation Payment Schedule (ROPS) pursuant to Health and Safety Code Section 34177”

RESOLUTION NO. 12-___

A RESOLUTION OF THE OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY FOR THE CITY OF GOLETA, APPROVING THE UNCERTIFIED SUCCESSOR AGENCY RECOGNIZED OBLIGATION PAYMENT SCHEDULE PURSUANT TO HEALTH AND SAFETY CODE SECTION 34177

WHEREAS, pursuant to Health and Safety Code section 34173(d), the City of Goleta (“Successor Agency”) elected to become the successor agency to the dissolved Redevelopment Agency for the City of Goleta by Resolution No. 12-04 on January 17, 2012; and

WHEREAS, Health and Safety Code section 34177(l)(2), as modified by the Supreme Court decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861, requires the Successor Agency to prepare an initial draft of the recognized obligation payment schedule (“ROPS”) by March 1, 2012, covering the period from February 1, 2012 through June 30, 2012; and

WHEREAS, Health and Safety Code section 34177(l)(2) requires the Successor Agency to submit the initial draft of the ROPS to an external auditor, either the Santa Barbara County Auditor-Controller or its designee, for the auditor’s review and certification as to its accuracy; and

WHEREAS, the Successor Agency, submitted the initial draft of the ROPS (“Uncertified Successor Agency ROPS”) to an external auditor, either the Santa Barbara County Auditor-Controller or its designee, for the auditor’s review and certification as to its accuracy on February 28, 2012 ; and

WHEREAS, Health and Safety Code section 34177(l)(2) requires the Successor Agency to submit the ROPS certified by the external auditor (“Certified ROPS”) to the Successor Agency’s oversight board for its approval, and upon such approval, the Successor Agency is required to submit a copy of the approved ROPS (“Approved ROPS”) to the Santa Barbara County Auditor-Controller, the California State Controller, and the State of California Department of Finance, and post the Approved ROPS on the Successor Agency’s website; and

WHEREAS, Health and Safety Code section 34182(a), as modified by the Supreme Court decision in *California Redevelopment Association, et al. v. Ana Matosantos, et al.*, Case No. S194861, requires either the Santa Barbara County Auditor-Controller or its designee complete procedure audits by July 1, 2012; and

WHEREAS, a letter to Redevelopment Successor Agency Representatives dated March 2, 2012 from the State Department of Finance (“DOF”) provides that if the

auditor designated by your county auditor-controller states the review of the ROPS cannot be completed by April 15, DOF advises the submittal of the uncertified ROPS to DOF without waiting for the auditor's review; and

WHEREAS, the Uncertified Successor Agency ROPS will be submitted in place of a Certified ROPS pursuant to guidance from DOF's aforementioned letter dated March 2, 2012; and

WHEREAS, all other legal prerequisites to the adoption of this Resolution have occurred.

NOW, THEREFORE, OVERSIGHT BOARD OF THE SUCCESSOR AGENCY TO THE DISSOLVED REDEVELOPMENT AGENCY FOR THE CITY OF GOLETA, DOES HEREBY RESOLVE AS FOLLOWS:

SECTION 1. Recitals. The Recitals set forth above are true and correct and are incorporated into this Resolution by this reference.

SECTION 2. CEQA Compliance. The approval of the Uncertified Successor Agency ROPS through this Resolution does not commit the Oversight Board of the Successor Agency to any action that may have a significant effect on the environment. As a result, such action does not constitute a project subject to the requirements of the California Environmental Quality Act.

SECTION 3. Approval of Uncertified Successor Agency ROPS. The Oversight Board of the Successor Agency hereby approves and adopts the Uncertified Successor Agency ROPS, in substantially the form attached to this Resolution as Exhibit A, as required by Health and Safety Code Section 34177.

SECTION 4. Transmittal of Uncertified ROPS. The City Manager is hereby authorized and directed to take any action necessary to carry out the purposes of this Resolution and comply with applicable law regarding the submission of the Approved Uncertified ROPS to the Santa Barbara County Auditor-Controller, the California State Controller, and the State of California Department of Finance, and posting the Approved Uncertified ROPS on the Successor Agency's website.

SECTION 5. Effectiveness. This Resolution shall take effect immediately upon its adoption.

SECTION 6. Certification The City Clerk shall certify to the passage and adoption of this resolution and enter it into the book of original resolutions.

PASSED, APPROVED AND ADOPTED at a special meeting of the Oversight Board of the Successor Agency to the Dissolved Redevelopment Agency for the City of Goleta, on the 5th day of April, 2012.

CHAIRPERSON

ATTEST:

APPROVED AS TO FORM:

DEBORAH CONSTANTINO
CITY CLERK
SUCCESSOR AGENCY CLERK

TIM W. GILES
CITY ATTORNEY
SUCCESSOR AGENCY COUNSEL

STATE OF CALIFORNIA)
COUNTY OF SANTA BARBARA) ss.
CITY OF GOLETA)

I, DEBORAH CONSTANTINO, City Clerk of the City of Goleta, California, DO HEREBY CERTIFY that the foregoing Resolution No. 12-__ was duly adopted by the Oversight Board of the Successor Agency to the Dissolved Redevelopment Agency for the City of Goleta at a special meeting held on the 5th day of April, 2012 by the following vote of the Board:

AYES:

NOES:

ABSENT:

ABSTAIN:

(SEAL)

DEBORAH CONSTANTINO
CITY CLERK

EXHIBIT A

**UNCERTIFIED SUCCESSOR AGENCY RECOGNIZED OBLIGATION PAYMENT
SCHEDULE**

UNCERTIFIED SUCCESSOR AGENCY RECOGNIZED OBLIGATION PAYMENT SCHEDULE

Per AB 26 - Section 34177 (*) and Section 34182 (**)

Project Name / Debt Obligation	Payee	Description	Funding Source	Total Outstanding Debt or Obligation	Total Due During Fiscal Year 11-12	Payments by month					Total
						Feb	Mar	Apr	May	Jun	
1) Sumida Gardens Project	Sumida Gardens LP	Subsidy of Affordable Housing Project	RPTTF	3,990,683.00	349,925.00				43,420.00		\$ 43,420.00
2) Debt Service	Bank of New York	Tax Allocation Bonds - Debt Service	RPTTF	16,085,000.00	1,902,046.00				599,068.75		\$ 599,068.75
3) Bradock House Project	Surf Development Co.	Subsidy of Affordable Housing Project	LMIHF	200,000.00	200,000.00		200,000.00				\$ 200,000.00
4) CIP Coop. Agreement	City of Goleta	Coop Agreement- Capital Projects	RPTTF	8,395,089.00	0.00						\$ -
5) Bond Trustee Services	Bank of New York	Trustee Services	Bonds	5,000.00	5,000.00		5,000.00				\$ 5,000.00
6) Administrative Cost	City of Goleta	Costs for Successor Agency	ACA, RPTTF	129,000.00	129,000.00	25,800.00	25,800.00	25,800.00	25,800.00	25,800.00	\$ 129,000.00
7)											\$ -
8)											\$ -
9)											\$ -
10)											\$ -
11)											\$ -
12)											\$ -
13)											\$ -
Totals - This Page				\$ 28,804,772.00	\$ 2,585,971.00	\$ 25,800.00	\$ 230,800.00	\$ 25,800.00	\$ 668,288.75	\$ 25,800.00	\$ 976,488.75
Totals - Page 2				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals - Page 3				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals - Page 4				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Totals - Other Obligations				\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Grand total - All Pages				\$ 28,804,772.00	\$ 2,585,971.00	\$ 25,800.00	\$ 230,800.00	\$ 25,800.00	\$ 668,288.75	\$ 25,800.00	\$ 976,488.75

* The Preliminary Draft of the Initial Recognized Obligation Payment Schedule (IDROPS) was to be prepared by the successor agency by 3/1/2012. It is valid from 2/1/2012 through 6/30/2012.

** This Uncertified Successor Agency Recognized Obligation Payment Schedule (ROPS) is being submitted for approval to the Oversight Board in place of a Certified ROPS prior to April 15, 2012. It is valid from 2/1/2012 through 6/30/2012.

Description of Sources of Payments:

- Low and Moderate Income Housing Fund ("LMIHF" or 20%)
- Bond Proceeds ("Bonds")
- Reserve Balances ("Reserves")
- Administrative Cost Allowance ("ACA")
- The Redevelopment Property Tax Trust Fund ("RPTTF")
- Other Revenue Sources (i.e., rents, interest earnings, asset sales, etc.) ("Other")

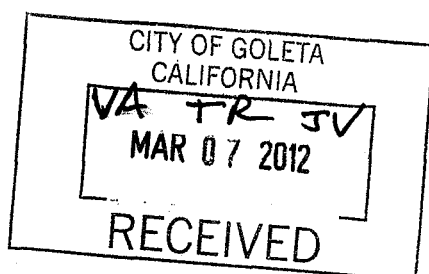
Agency representative to contact with questions:

Tina Rivera, Finance Director, (805) 961-7527, email: trivera@cityofgoleta.org

Updated 3/30/2012

ATTACHMENT 4

**California Department of Finance Letter dated
March 2, 2012**



March 2, 2012

Dear County Board of Supervisors, City Administrators, and
Redevelopment Successor Agency Representatives:

The purpose of this letter is to provide information on some of the most important next steps required to implement Assembly Bill 26, First Extraordinary Session (ABX1 26, Chapter 5, Statutes of 2011), which dissolved redevelopment agencies (RDAs) effective February 1, 2012 and replaced them with successor agencies. According to our records, your city (or county) has chosen to act as the successor agency for your former RDA.

Before it was dissolved, your former RDA submitted to the Department of Finance (Finance) an Enforceable Obligation Payment Schedule (EOPS) which listed the various financial obligations that the RDA believed to be Enforceable Obligations, as that term is defined by ABX1 26. The EOPS should be extended until a Recognized Obligation Payment Schedule (ROPS) listing all enforceable obligations proposed for payment between January 1, 2012 and June 30, 2012 can be adopted and is valid.

Pursuant to the timeline in ABX1 26 as revised by the Supreme Court's order, the first ROPS must be approved in initial form by your successor agency's governing body no later than March 1, 2012. The ROPS must be approved by the oversight board in final form no later than April 15, 2012, and also must be submitted to Finance, the State Controller, and the county auditor-controller for review no later than the April 15, 2012. Beginning May 1, 2012, only those payments on an approved ROPS should be made for the period through June 30, 2012. The ROPS for the period July 1, through December 31, 2012 must be submitted to Finance and the county auditor as soon as possible but no later than May 11. This will leave 10 working days for our review and four working days for the county auditor-controller to prepare to make timely payments to successor agencies and taxing agencies on June 1, 2012, as required by ABX1 26. While Finance will make every effort to reach agreement with successor agencies on items to be included in the ROPS by those dates, additional time may be needed to review complex items. Thus we encourage agencies with complex issues to bring them to our attention as soon as possible.

In order to expedite our review of the ROPS, Finance auditors are currently reviewing the EOPS that has been submitted to identify any items which may require more information to assist our review. We request that your staff cooperate with requests for information. We anticipate that some items that we do not believe are enforceable obligations may be identified in this process and we will be providing you with notice of those so that they may be removed from the ROPS.

Finance staff will notify the staff contact for the successor agency within three days by e-mail if we are exercising our right to further review items in the ROPS. We will provide notice of which items we are reviewing within 10 days. After that notice and after May 1, no payment related to any such items should be made, even if they are on a previously adopted EOPS, until Finance agrees to the inclusion of the item on the ROPS.

While we hope that agreement can be reached on most items, there are likely to be some items included on the ROPS on which agreement cannot be reached by the time payments are to be made to successors and taxing agencies under the law. We believe that the fiduciary duty a successor agency owes to its undisputed creditors takes precedence over any right to dispute whether other items are enforceable obligations. We respect the rights of a successor agency to maintain a different position with regard to such items and recognize that litigation may be necessary to resolve some disputes. We will endeavor to minimize the cost of litigation by continuing to research and discuss any disputed items until it is clear that no mutually satisfactory resolution is possible. Once a payment date is reached, Finance views the undisputed items to be the ROPS for purposes of distribution of funds from the Redevelopment Property Tax Trust Fund for that six month period and will be providing notice to the county auditor of those items no later than five working days prior to a statutory distribution date. If resolution of the dispute later determines that an item is an enforceable obligation, it may be placed on the next ROPS.

The review of the ROPS by the public and the oversight board is very important and adequate time should be allowed for this to take place. Given these compressed timeframes, we believe it would be prudent for your oversight board to review, approve, and submit the ROPS to Finance at the earliest possible time. If we object to any items on your ROPS, this early submittal will help ensure any problems are resolved before May 1 and May 11 deadlines, thereby enabling your Successor Agency to make debt payments timely and to receive funding for all enforceable obligations.

Your successor agency's oversight board has seven members, of whom one is appointed by the city, two by the county board of supervisors, one by the county superintendent of education, one by the California Community Colleges, one by the largest special district by property tax share with territory in the former RDA's project areas, and one to represent the employees of the former RDA. Since the ROPS must be approved by the oversight board by April 15, and since the ROPS cannot be submitted to Finance until it has been approved by the oversight board, we encourage you to work expeditiously with the various appointing powers to ensure they name their oversight board members as soon as possible.

Finally, ABX1 26 states that the initial ROPS must be submitted to the auditor performing the agreed upon procedures audit for review. While it would be preferred that this take place in conjunction with the completion of the agreed upon procedures audit, this review of the initial ROPS is a separate action that should not be delayed pending completion of the audit.

County auditor-controllers have until July 1, 2012 to arrange for completion of these audits pursuant to the California Supreme Court's revised ABX1 26 timeline, and we understand many auditors may require even longer to actually complete the audits. Consequently, if the auditor designated by your county auditor-controller states the review of the ROPS cannot be completed by April 15, we advise you to submit your ROPS to Finance without waiting for the auditor's review. If, however, your auditor states they will complete the ROPS review by April 15, we advise you to not submit the ROPS until the review is complete. We advise you to consult your county auditor-controller on the timing of the agreed-upon-procedures audit.

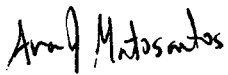
We would appreciate receiving a copy of the auditor's report when it is completed. This will help expedite review of your ROPS.

The Department of Finance website contains substantial additional information about ABX1 26 that is updated as we develop responses to questions and work with other parties. This can be found at the following link:

http://www.dof.ca.gov/assembly_bills_26-27/view.php

Thank you for your attention to this matter. Please direct any questions to Finance staff at (916) 445-1546, or send an e-mail to: reddevelopment_administration@dof.ca.gov.

Sincerely,



ANA J. MATOSANTOS
Director